



Canada Border Services Agency

Part III – Report on Plans and Priorities

**2011–12
Estimates**

The Honourable Vic Toews, P.C., Q.C., M.P.
Minister of Public Safety

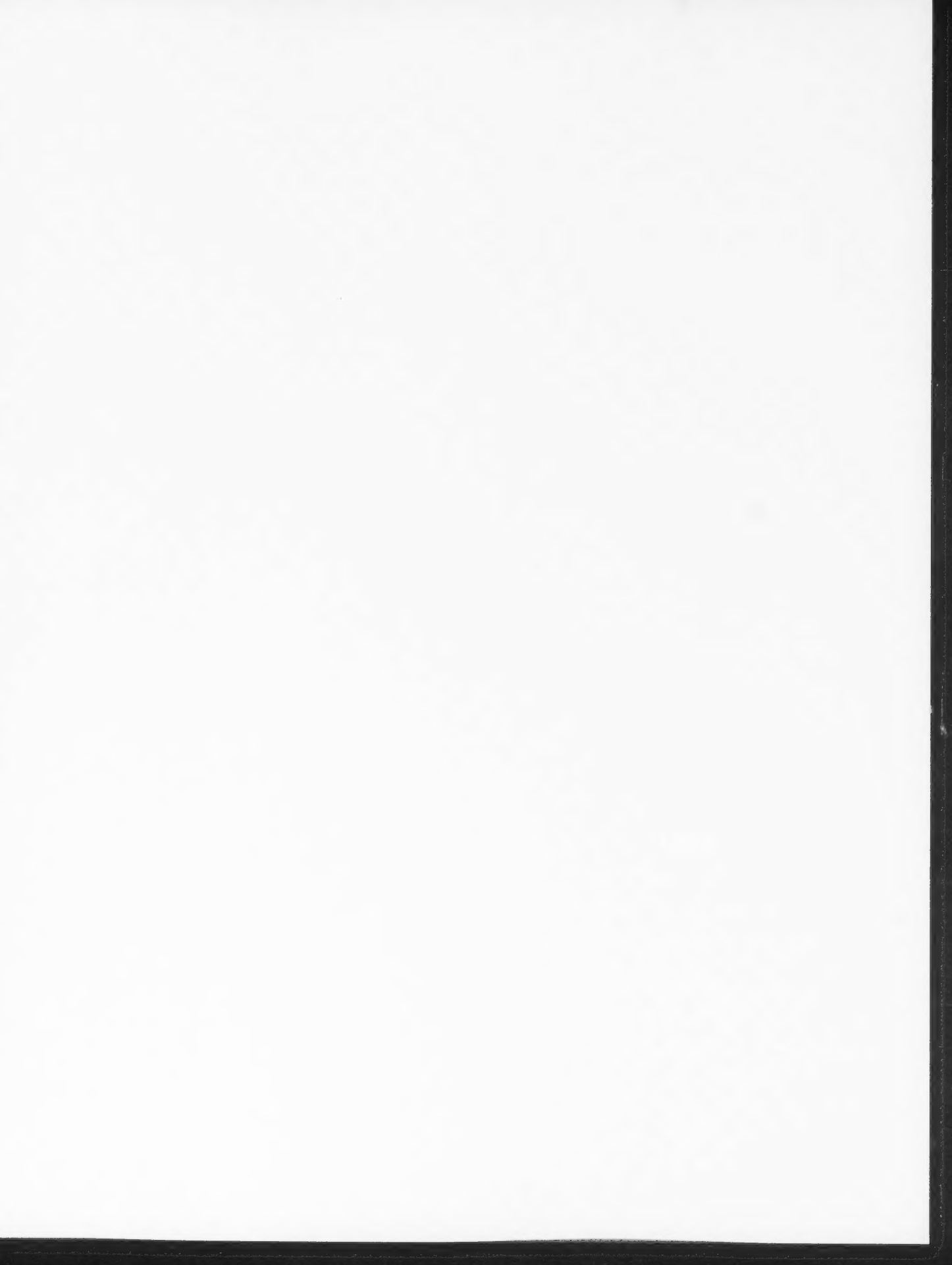
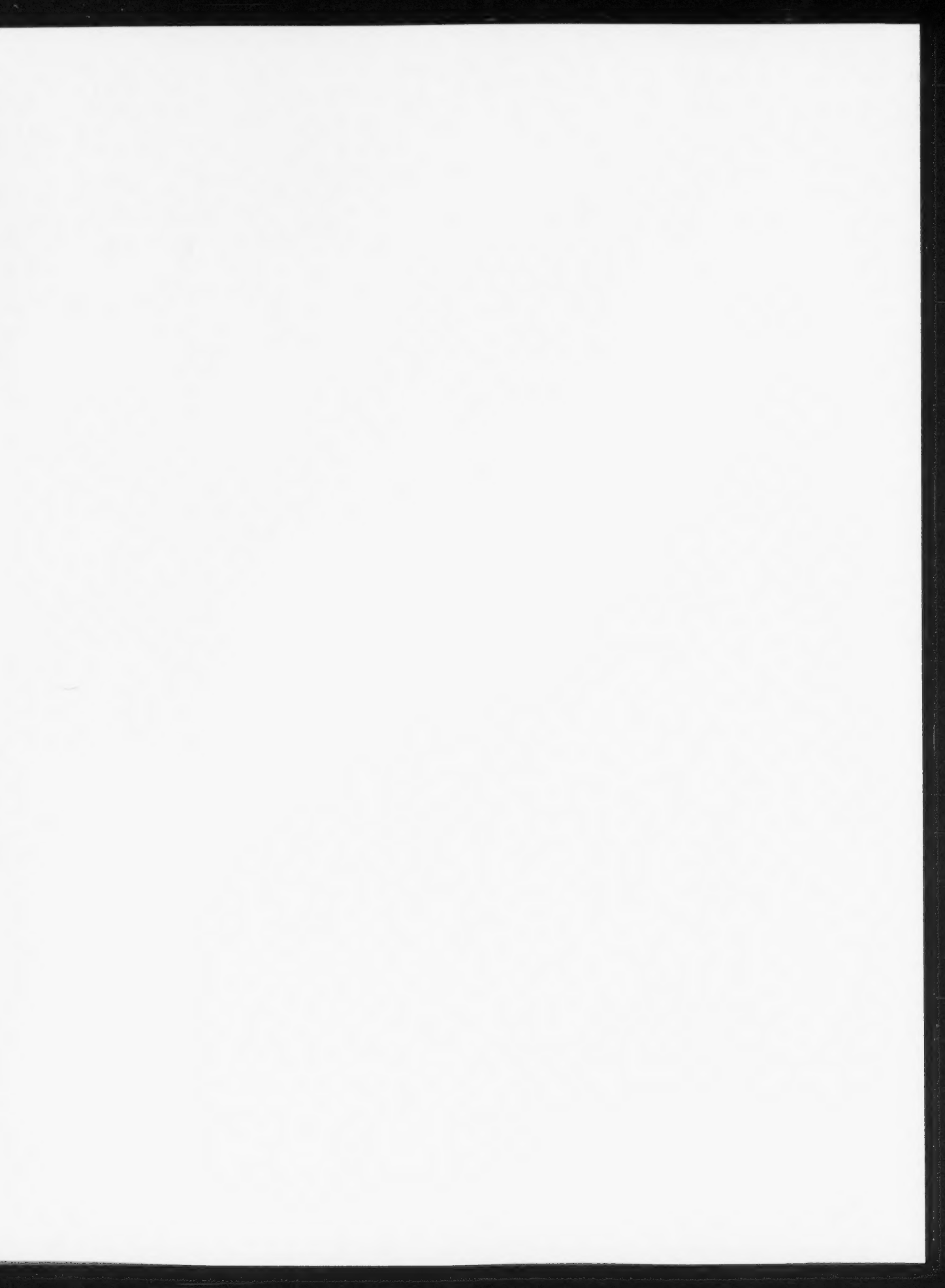


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MESSAGE FROM THE MINISTER



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Minister of Public Safety

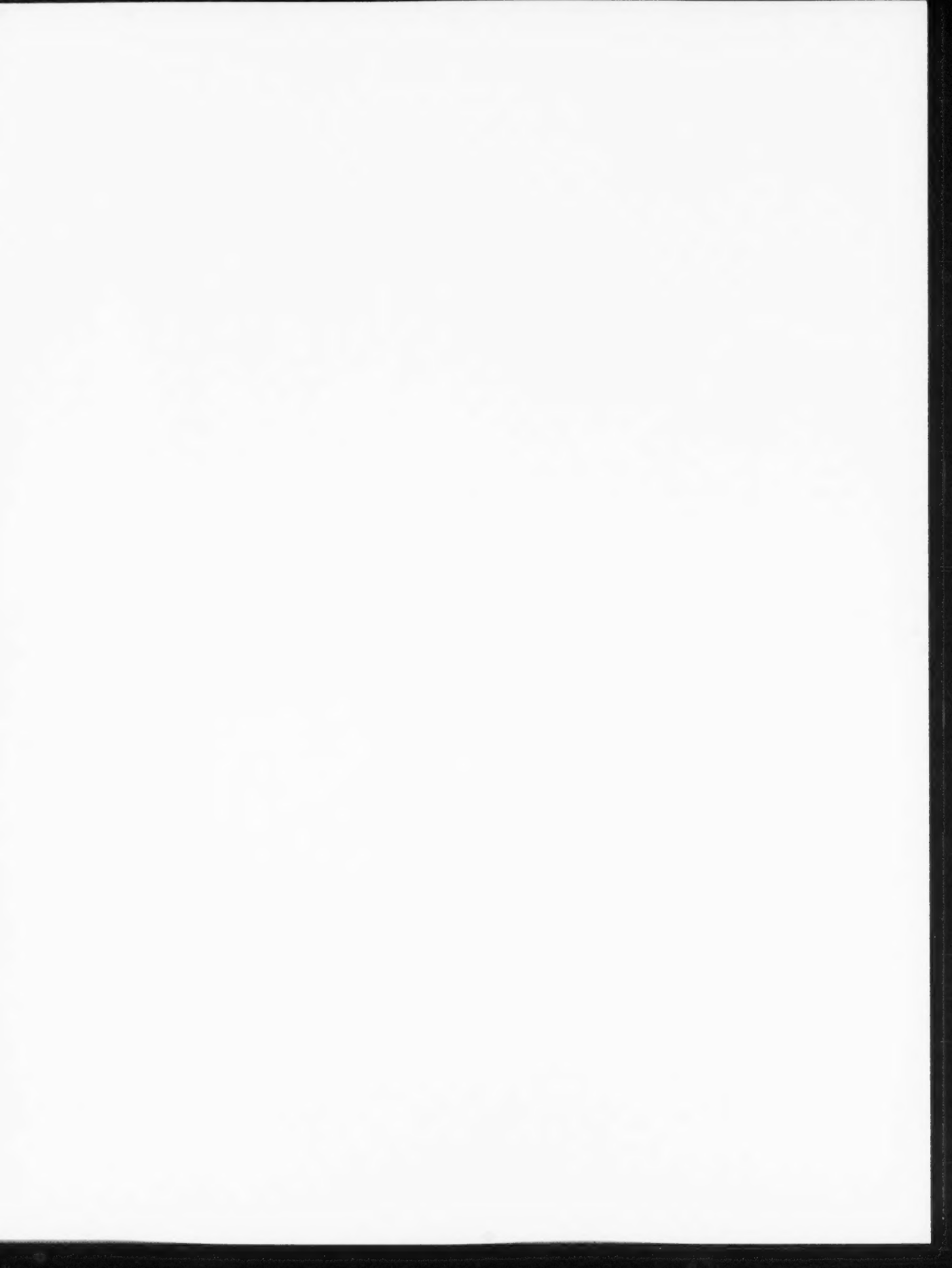
As Minister of Public Safety, I am pleased to present to Parliament the Report on Plans and Priorities for 2011–12 of the Canada Border Services Agency (CBSA).

The CBSA has an intricate mandate, discharged in a complex and constantly evolving environment. Today, border management processes operate at various points along a continuum, from departure overseas, to the physical border and to points inland. In this environment, the CBSA administers a broad and complementary range of services that combine to protect national security and facilitate legitimate trade and travel. In 2011–12, the CBSA will continue its commitment to vigilance and service excellence at the border.

In support of this commitment, the Agency will focus its efforts and resources on a number of critical objectives. First, it will continue to leverage its worldwide network of offices and partners to identify and interdict high-risk people and goods at the earliest possible moment, prior to arrival in Canada. Second, it will continue to implement changes to its internal management structure and processes, which will result in more efficient business delivery across the Agency. Third, it will further develop an organizational culture of service excellence in order to better recognize and respond to the expectations and needs of its clients.

In 2011–12, the CBSA will continue to demonstrate its significant value, not only as an enforcement presence at our ports of entry, but also as an outstanding public service organization for all Canadians across the country.

The Honourable Vic Toews, P.C., Q.C., M.P.
Minister of Public Safety



SECTION I: DEPARTMENTAL OVERVIEW

RAISON D'ÊTRE AND RESPONSIBILITIES

The Canada Border Services Agency (CBSA) provides integrated border services that support national security priorities and facilitate the flow of people and goods across the border, including food, plants and animals. Specific responsibilities include the following:

- administering legislation (over 90 acts) that governs the admissibility of people, goods and plants and animals into and out of Canada;
- detaining those people who are inadmissible or may pose a threat to Canada;
- identifying and removing people who are inadmissible to Canada, including those involved in terrorism, organized crime, war crimes or crimes against humanity;
- interdicting illegal goods entering or leaving the country;
- protecting food safety, plant and animal health, and Canada's resource base;
- promoting Canadian business and economic benefits by administering trade legislation and trade agreements to meet Canada's international obligations, including the enforcement of trade remedies that help protect Canadian industry from the injurious effects of dumped and subsidized imported goods;
- administering a fair and impartial redress mechanism; and
- collecting applicable duties and taxes on imported goods.

Created in 2003, the CBSA is an integral part of the Public Safety Portfolio, which is responsible for integrated national security, emergency management, law enforcement, corrections, crime prevention and border management operations.

Examples of Acts Administered by the CBSA

- *Agriculture and Agri-Food Administrative Monetary Penalties Act*
- *Canada Border Services Agency Act*
- *Citizenship Act*
- *Criminal Code*
- *Customs Act*
- *Customs Tariff*
- *Excise Act*
- *Excise Tax Act*
- *Export and Import Permits Act*
- *Food and Drugs Act*
- *Health of Animals Act*
- *Immigration and Refugee Protection Act*
- *Plant Protection Act*
- *Special Import Measures Act*

CBSA Service Locations

The CBSA provides services at approximately 1,200 service points across Canada and at some international locations, including the following:

- 120 land border crossings
- 27 rail sites
- 13 international airports
- 5 major marine port facilities
- 444 small vessel marina reporting sites
- 12 ferry terminals
- 3 postal processing plants
- 4 detention facilities
- 41 countries staffed with 57 migration integrity officers

OPERATING ENVIRONMENT

The CBSA is a unique organization, one that is both the face of Canada at the border, welcoming returning residents and visitors, and a professional enforcement agency responsible for interdicting and preventing the entry of inadmissible people and goods. Balancing these roles requires a strong commitment to service excellence that is underpinned by the Agency's values of respect, integrity and professionalism. In 2010, the CBSA adopted a new Vision Statement – *An integrated border agency that is recognized for service excellence in ensuring Canada's security and prosperity* – to clearly communicate to employees, partners, clients and stakeholders the Agency's commitment to service excellence.

Since its creation in 2003, the CBSA has consistently delivered on its dual mandate of managing access to the border by large numbers of people and goods, while maintaining the integrity of the border and protecting Canada from threats to its security and prosperity. The Agency has been able to do so while working in a complex environment where, to a large extent, the movement of people and goods across the border is driven by economic, political and social factors beyond its control.

A significant driver of the CBSA's workload is the state of the global and domestic economy. As economies slowly recover from the downturn, it is anticipated that the volume of travellers and shipments will increase from the over 85 million people and 11 million shipments processed in 2009–10. Furthermore, the Canadian dollar continues to be strong against the U.S. dollar, encouraging cross-border shopping and making imports more attractive to Canadian consumers and businesses. Increasing volumes will bring new security risks, greater demand for border clearance services and quicker, more predictable and cost-effective screening processes. It will become increasingly important for the Agency to ensure that the costs and delays imposed by clearance processes for legitimate, low-risk people and shipments are minimized while, at the same time, effectively identifying and interdicting diverse security threats as early as possible in the travel and trade supply chain continuum.

Partnerships

Border management is an international concern that requires global solutions and strong partnerships. Information sharing and close interaction and cooperation with domestic partners, including the Royal Canadian Mounted Police, Canadian Security Intelligence Service, Citizenship and Immigration Canada and regulatory agencies such as the Canadian Food Inspection Agency, are essential to ensuring that resources can be coordinated and directed to deal with emerging threats and the expected increase in the volume of travellers and shipments.

Within the context of the integrated North American economy, Canada and the United States both rely on rapid yet secure border clearance processes to maximize economic benefits. The CBSA works closely with its U.S. counterpart – Customs and Border Protection (CBP) – to ensure and enhance the efficient and secure cross-border movement of people and goods. The CBSA has also established working relationships with the European Union, the United Kingdom, Australia, New Zealand and Mexico, and is pursuing a partnership with Brazil in order to enter into an information-sharing and enforcement agreement. In addition, the CBSA will negotiate pre-screening and supply chain security agreements with the European Union.

Risk Management

The CBSA manages risk on a daily basis as it carries out its mandate, including the possible entry into Canada of terrorists, irregular migrants, illicit drugs, goods that could cause chemical, biological, radiological, nuclear or explosive events, counterfeit goods, firearms and inadmissible foods, plants, animals and related products. A number of domestic and global drivers influence the likelihood and impact of the risks the Agency must mitigate. Immigration continues to be a key factor in Canada's growth. Global and domestic demographic patterns suggest the possibility of increased irregular migration from high-risk countries as well as an expected increase in the number of mass arrivals of irregular migrants (e.g. Marine Vessel Sun Sea). As the number of people and goods from non-traditional sources continues to grow, they may pose new threats and increase the risk of Canadians being exposed to acts of terrorism, transnational organized crimes, disease outbreaks and infectious diseases.

To improve competitiveness and access to world markets, Canada is negotiating trade and investment agreements with non-traditional trading partners. New trading partners often represent new compliance challenges and unknown risks as new products and substances need to be screened and controlled at the border. Increased contact with non-traditional source countries may also increase the probability of new threats reaching the border, including safety risks associated with commercial products produced in countries where the legal and regulatory system differs from that in Canada.

The CBSA relies on a risk-based approach to border management whereby the Agency focuses its efforts on people and goods that are considered high risk while facilitating the border clearance of low-risk people and goods. The Agency employs various mechanisms to help identify threats to Canada's border security, including the use of advance information to pre-screen travellers and goods before their arrival in Canada, and the sharing of intelligence to identify common border threats. The Agency's Border Risk Management Plan translates the identified threats into program delivery priorities and operational plans.

Change Agenda

Within a climate of modest economic growth and the Government of Canada's plans to return to a balanced budget and limit growth in program spending, ensuring program effectiveness and the prudent use of resources is crucial. The CBSA's Change Agenda, a multi-year transformation initiative launched in 2009–10, focuses on improving how the Agency delivers its mandate. Key achievements in the first year, including a new headquarters structure, a streamlined governance structure, the development of a Border Management Action Plan, as well as the launch of a new Agency brand and talent management program for the executive cadre, set the stage for further progress in how the Agency manages its business.

The next phase of the Change Agenda focuses on three main areas: front-line service delivery (entrenching a culture of client service excellence to better understand client expectations and needs); people management (attracting, retaining and developing the right people with the right skills to achieve the Agency's goals); and management excellence (managing the Agency's programs consistently across the organization through rigorous fiscal management and performance monitoring). These activities will bring greater focus to the support the CBSA provides to its employees and will enhance the level of service the Agency offers to Canadians.

CONTRIBUTION TO THE FEDERAL SUSTAINABLE DEVELOPMENT STRATEGY

The Federal Sustainable Development Strategy strengthens the way in which the Government of Canada promotes environmental sustainability and makes important improvements to the transparency and accountability of environmental decision-making. The federal strategy addresses four high-priority themes: addressing climate change and air quality; maintaining water quality and availability; protecting nature; and shrinking the environmental footprint – beginning with government.

The CBSA supports the Federal Sustainable Development Strategy through commitments under two of the four themes:



Theme III – *Protecting Nature*, and

Theme IV – *Shrinking the Environmental Footprint – Beginning with Government*.

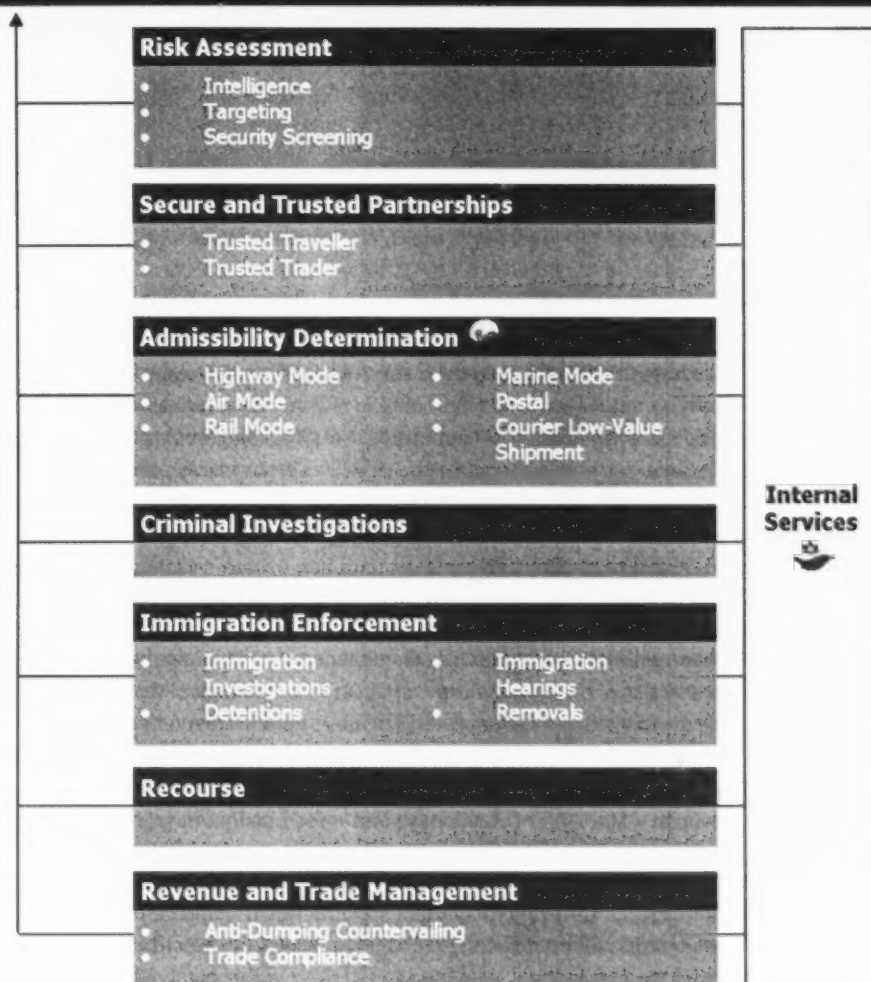
Building on the federal strategy and in accordance with the CBSA's Sustainable Development Strategy 2011–2013¹, the Agency is integrating economic, social and environmental dimensions into its decision-making processes, policies, programs and operations. The CBSA's commitments are highlighted in the Admissibility Determination program activity and Internal Services in Section II and in the Greening Government Operations table². For information on the Federal Sustainable Development Strategy, visit Environment Canada³.

STRATEGIC OUTCOME AND PROGRAM ACTIVITY ARCHITECTURE

The CBSA's strategic outcome and Program Activity Architecture for 2011-12 are shown below.

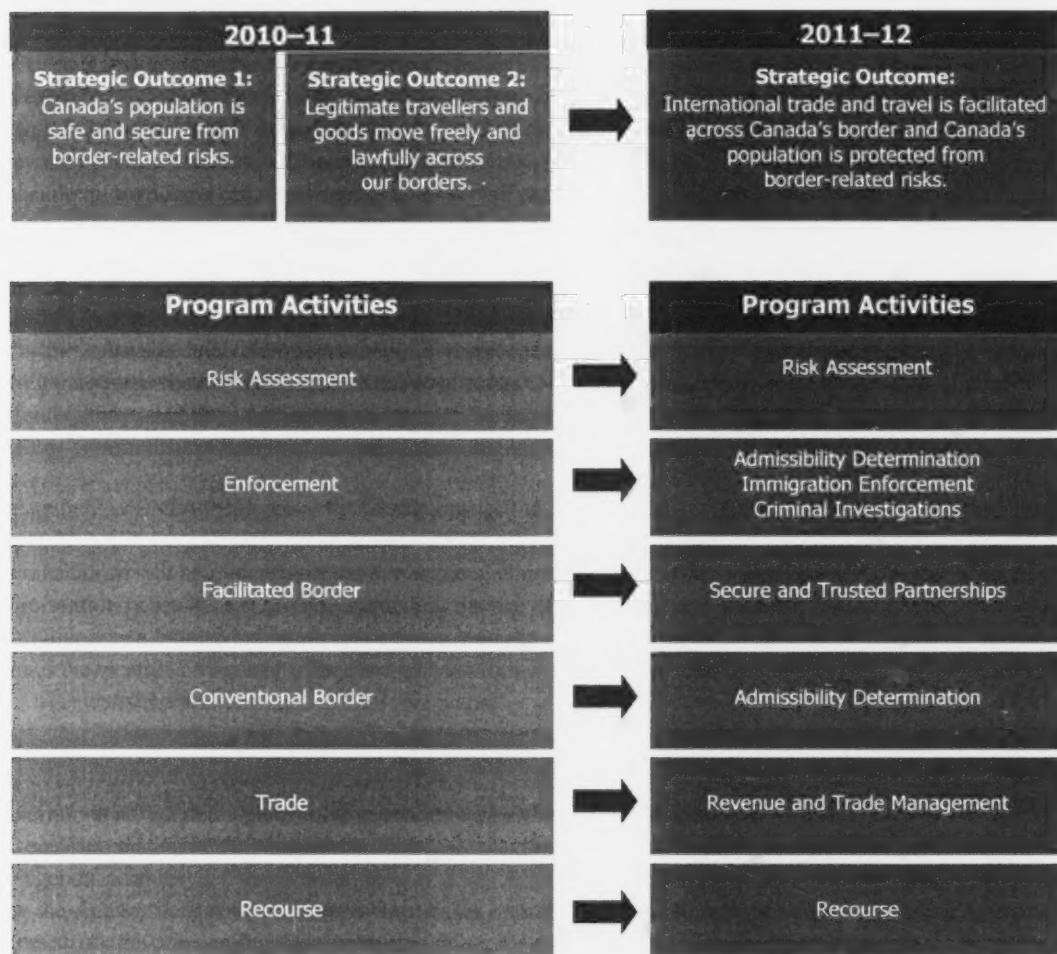
Strategic Outcome: International trade and travel is facilitated across Canada's border and Canada's population is protected from border-related risk.

Strategic Outcome Description: The strategic outcome focuses on the Agency's mandate and responsibility to support Canada's national security priorities, while facilitating the legitimate cross-border movement of people and goods, including food, plants and animals.



PROGRAM ACTIVITY ARCHITECTURE CROSSWALK

The CBSA made changes to its program activity architecture for 2011–12, which are shown in the crosswalk below.



Note: Since the financial information related to the Annual Reference Level Update initiatives was prepared using the CBSA's new program activity architecture, it is not possible to show the redistribution of financial resources from 2010–11 to 2011–12 in the above crosswalk.

Explanation of Changes

The CBSA's program activity architecture was revised for 2011-12 to establish a single strategic outcome for the Agency and to present a more comprehensive inventory of the Agency's programs, in accordance with Treasury Board policy. The majority of changes for 2011-12 were implemented at the program sub-activity level:

- Risk Assessment sub-activities were redeveloped to reflect specific expected results;
- Admissibility Determination sub-activities were developed by transportation mode for ease of resource allocation;
- the Criminal Investigations program activity does not have any sub-activities;
- Immigration Enforcement sub-activities were developed to reflect the logical flow of the program;
- Recourse sub-activities were removed as they were found to contribute to the same expected result; and
- Revenue and Trade Management sub-activities were updated.

PLANNING SUMMARY

Financial and Human Resources

The following tables provide summary data on the financial and human resources of the CBSA for the next three fiscal years.

(\$ thousands)			
Financial Resources			
2011-12	2012-13	2013-14	
1,870,512	1,828,634	1,759,087	

(Full-time equivalents)			
Human Resources			
2011-12	2012-13	2013-14	
13,975	14,050	13,934	

Planned spending changes from 2011-12 to 2012-13

The planned spending decrease of \$41.9 million is a result of adjustments made to approved expenditures in multi-year initiatives.

Most significant is the decrease of \$36 million in capital projects related to the expected completion of upgrades to three ports of entry in British Columbia (Kingsgate, Pacific Highway, Huntingdon) and one in Ontario (Prescott) in 2011-12. Additional decreases include a \$14.5 million adjustment to the cash flow for the eManifest project; \$12.7 million due to changes in the capital project funding profile related to the arming of CBSA officers; \$4.8 million representing an investment peak in 2011-12 due to the completion of the first phase of the Accounts Receivable Ledger project; \$4.6 million representing the final year of two-year funding for the management of immigration

cases involving classified information under the Certificates and Protection of Information division of the *Immigration and Refugee Protection Act*; \$4.3 million related to the implementation of Strategic Review decisions; \$2.8 million related to the implementation of the Harmonized Sales Tax; \$1.7 million for the Temporary Resident Biometrics project; and \$0.2 million for other items.

The difference between the planned spending for 2011–12 and 2012–13 also reflects increases in certain areas, including \$21.3 million to ensure continued and secure border services (Program Integrity); \$13.4 million for the implementation of the CBSA Assessment and Revenue Management system and \$5.0 million to support the reform of Canada's refugee determination system (*Balanced Refugee Reform Act*).

Planned spending changes from 2012–13 to 2013–14

The planned spending decrease of \$69.5 million is the result of adjustments made to approved expenditures in multi-year initiatives.

The most significant decrease stems from the \$65.0 million cash flow adjustment consistent with the Economic and Fiscal Statement 2008 actions to improve spending. Additional decreases include \$28.8 million to support the reform of Canada's refugee determination system (*Balanced Refugee Reform Act*), which represents an investment peak in 2012–13 and a return to an ongoing funding level in 2013–14; \$2.9 million related to the completion of the implementation phase of the Accounts Receivable Ledger project; \$1.1 million for the Western Hemisphere Travel Initiative (ePassport); and \$0.3 million for other items.

The difference in planned spending between 2012–13 and 2013–14 also reflects increases in certain areas, namely \$11.9 million to ensure continued and secure border services (Program Integrity); \$9.3 million for the CBSA Assessment and Revenue Management system; \$6.1 million for the arming of CBSA officers; and \$1.3 million to support the Government of Canada's contribution to the Toronto 2015 Pan American and Parapan American Games.

Planning Summary Table

Strategic Outcome: International trade and travel is facilitated across Canada's border and Canada's population is protected from border-related risks.

Performance Indicators: Protection Index Facilitation Index		Targets: To be developed To be developed			
Program Activity ⁶	Forecast Spending 2010-11 (\$ thousands)	Planned Spending (\$ thousands)			Alignment to Government of Canada Outcomes ⁶
		2011-12	2012-13	2013-14	
Risk Assessment	154,636	166,170	152,642	141,313	A safe and secure world through international co-operation
Secure and Trusted Partnerships	70,789	67,402	67,591	67,609	A safe and secure world through international co-operation
Admissibility Determination	613,101	653,423	663,342	619,581	A safe and secure Canada
Criminal Investigations	24,150	24,030	23,990	23,993	A safe and secure Canada
Immigration Enforcement	149,447	158,707	161,694	140,351	A safe and secure Canada
Recourse	10,827	10,311	9,660	9,660	A fair and secure marketplace
Revenue and Trade Management	68,573	72,004	82,521	90,456	A fair and secure marketplace
Total Planned Spending	1,091,523	1,152,047	1,161,440	1,092,963	

The increase in planned spending for 2011-12 and 2012-13 is due mainly to new initiatives and projects such as the reform of Canada's refugee determination system (*Balanced Refugee Reform Act*), continued and secure border services (Program Integrity), the Accounts Receivable Ledger project, CBSA Assessment and Revenue Management system and a cash flow adjustment between fiscal years, consistent with the Economic and Fiscal Statement 2008 actions to improve spending.

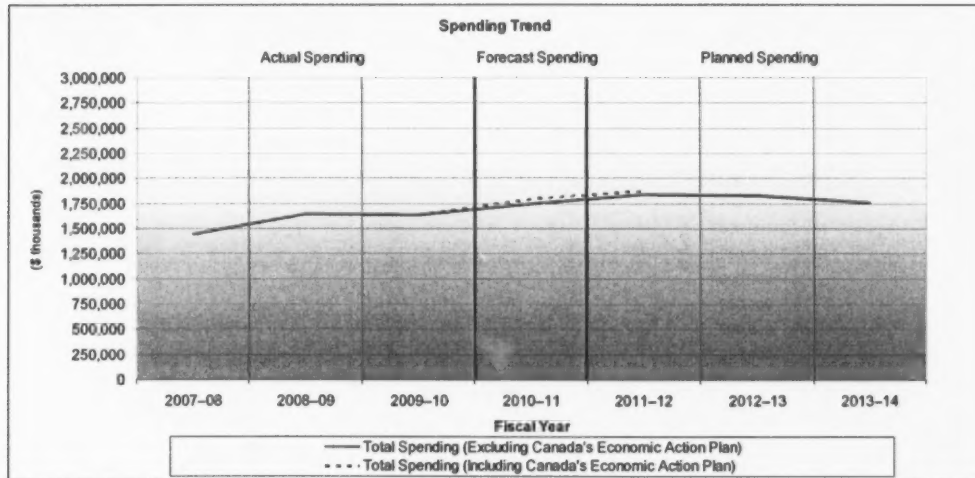
Internal Services	Forecast Spending 2010-11 (\$ thousands)	Planned Spending (\$ thousands)		
		2011-12	2012-13	2013-14
Internal Services	697,925	718,465	667,194	666,124
Total Planned Spending	697,925	718,465	667,194	666,124

Internal Services is a group of related activities and resources that is administered to support the needs of the programs and other corporate obligations of an organization. The main activities are governance and management support (management and oversight, communications, legal services), resource management services (human resources management, financial management, information management, information technology, travel, and other administrative services) and asset management services (real property, materiel, acquisitions).

EXPENDITURE PROFILE

The CBSA plans to spend \$1,870 million in 2011–12 to achieve the expected results of its program activities and contribute to its strategic outcome. The following graph shows the Agency's spending trend from 2007–08 to 2013–14.

Departmental Spending Trend



Since its creation in 2003, the CBSA has been managing substantial operational pressures. While spending increased steadily between 2006–07 and 2010–11, the increase resulted mainly from project-specific funding related to Government of Canada priorities and was not available to address operational and corporate pressures. Planned spending is expected to decrease over the next three years. This is a reflection of the full implementation of major innovation initiatives, such as eManifest, with its expected positive impact on the efficiency of border operations over the long term which, in turn, will improve the effectiveness of border management.

The Agency is taking advantage of an opportunity to continue improving effectiveness by advancing strategic resource management, which includes putting in place a robust investment planning framework that incorporates three pillars: life-cycle asset management, technology investments and operational pressures. The framework will assist in addressing both technology and accommodations infrastructure more strategically. A strong and sustained strategic resource management framework will enable the Agency to achieve a return on investment that will assist in managing operational and corporate pressures.

The CBSA is working to find solutions by allocating the program integrity funding to the areas of greatest risk and through internal reallocations to high-priority activities. More recently, a cash flow adjustment between fiscal years, consistent with the Economic and Fiscal Statement 2008 actions to improve spending projections, and new funding received for project-related items explain the rapid increase in funding from 2009–10 to 2011–12.

ESTIMATES BY VOTE

For information on the CBSA's organizational votes and/or statutory expenditures, see the 2011-12 Main Estimates publication. An electronic version of the Main Estimates is available at <http://www.tbs-sct.gc.ca/est-pre/20112012/me-bpd/toc-tdm-eng.asp>.

CONTRIBUTION OF PRIORITIES TO THE STRATEGIC OUTCOME

Operational Priorities	Type	Links to Strategic Outcome	Key Initiatives to Meet the Priority
Inadmissible people and goods are denied entry to or removed from Canada. Description: Increase and improve the information and analyses available to the Agency on people and goods before they arrive at a port of entry; and improve the capacity to seize inadmissible goods and remove inadmissible people from Canada more expeditiously.	Previously committed to	Strategic Outcome 1	- Enhance capacity for pre-arrival risk assessment. - Improve capacity for interdiction and/or seizure of inadmissible goods and removal of inadmissible people. - Improve timeliness of removals for failed refugee claimants.
The Agency's programs and services are delivered consistently within established service standards across Canada to provide predictability of outcomes for people and goods seeking entry to Canada. Description: Improve the Agency's service consistency and delivery at ports of entry; and expand programs that process low-risk people and goods effectively and efficiently.	Previously committed to	Strategic Outcome 1	- Improve service consistency. - Expand trusted programs' membership and benefits.
Management Priorities	Type	Links to Strategic Outcome	Key Plans to Meet the Priority
The Agency is managed to optimize program delivery, and has clear and well-communicated goals and expectations. Description: Strengthen the Agency's program delivery by improving management decision-making and the allocation of resources; and ensure that the Agency has the right complement of staff with the right skills and actively engages its employees.	Ongoing	Strategic Outcome 1	- Advance the implementation of the Accounts Receivable Ledger. - Establish structures and processes to support improved management oversight. - Improve human resources practices to support the recruitment and retention of staff. - Improve technological responsiveness and sustainability.

SECTION II: ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

The CBSA has one strategic outcome under its 2011–12 Program Activity Architecture. Its strategic outcome and seven supporting program activities focus on the Agency's mandate and responsibility to support Canada's national security priorities and facilitate the cross-border movement of legitimate people and goods, including food, plants and animals.

STRATEGIC OUTCOME

Strategic Outcome: International trade and travel is facilitated across Canada's border and Canada's population is protected from border-related risks.

Description: The strategic outcome focuses on the Agency's mandate and responsibility to support Canada's national security priorities, while facilitating the legitimate cross-border movement of people and goods, including food, plants and animals.

Supporting Program Activities:

**Risk Assessment
Secure and Trusted Partnerships
Admissibility Determination
Criminal Investigations
Immigration Enforcement
Recourse
Revenue and Trade Management**

PROGRAM ACTIVITY: RISK ASSESSMENT

The Risk Assessment program activity "pushes the border out" by seeking to identify high-risk people and shipments as early as possible in the travel and trade continuum to prevent their departure to Canada.

The CBSA maintains a network of migration integrity officers at posts abroad. These officers play an important role overseas in the screening of applications for visas and in conducting related fraud investigations. Migration integrity officers also assist international transportation companies and local law-enforcement authorities in identifying document fraud and interdicting irregular migrants destined for Canada.

Benefits for Canadians

The purpose of the Risk Assessment program activity is to prevent inadmissible people and goods from entering Canada. To make the most effective use of its limited resources, the CBSA assesses as much as possible the potential risk posed by travellers or goods before they arrive in Canada. It does so using a variety of means, including stationing CBSA officers in foreign countries to work with international border management partners to assess the risks presented by people or goods destined for Canada. The Agency also uses automated risk-analysis systems to assess pre-arrival information for passengers, crew and cargo throughout the travel and trade supply chain continuum.

The pre-arrival identification of high-risk people and goods benefits the travelling public and the international trade and travel industries by enabling the Agency to focus its examination and interdiction activities on high-risk people and goods, while enabling low-risk travellers and commercial goods to enter Canada with minimal delay and intervention.

Program Activity: Risk Assessment					
Human Resources (full-time equivalents) and Planned Spending (\$ thousands)					
2011-12		2012-13		2013-14	
Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending
1,022	166,170	1,026	152,642	1,030	141,313
Expected Result		Performance Indicator			Target
People and shipments ¹ seeking to enter Canada that may pose a threat are intercepted prior to their arrival in Canada.		Percentage of screened people ² who may pose a threat that are intercepted prior to their arrival in Canada.			70%

¹Shipments screened through the Accelerated Commercial Release Operations Support System or TITAN. A performance indicator and a target for screened shipments are being developed.

²Travellers screened through an electronic risk-assessment system.

2011-12 Planning Highlights

Supporting Initiative: Improve capacity for interdiction and/or seizure of inadmissible goods and removal of inadmissible people

- **Continue to implement the Co-operative Border Management Framework**

The CBSA and CBP have established the Co-operative Border Management Framework. The goal of the Framework is to provide a joint and integrated border management regime, resulting in improved security, enhanced mobility of people and goods, and increased prosperity in both Canada and the United States. The Framework comprises three pillars: information sharing, policy and program harmonization, and shared infrastructure.

Under the information sharing pillar, in 2011-12, the CBSA and CBP will continue to move forward on various information sharing projects to better identify and mitigate potential security risks to both countries. By identifying and addressing risks early, the CBSA will be able to facilitate the movement of legitimate people and goods at the border.

Under the policy and program harmonization pillar, in 2011-12, the CBSA and CBP will continue to work to align Canada-U.S. program and security policy requirements to eliminate duplication and redundant costs for trusted travellers and traders. This will help increase the efficiency of processing travellers, reduce the compliance burden on the trade community without sacrificing security, and maximize the collective investment and intellectual capacity of the Agency and CBP.

Under the shared infrastructure pillar, in 2011–12, the CBSA and CBP will continue to work towards establishing, where conditions warrant, joint border management facilities, which will enhance joint security and facilitation objectives. At present, the CBSA and CBP share responsibility for border operations at six locations. The CBSA and CBP are identifying additional shared infrastructure opportunities, and will continue to work in partnership to address legal and logistical concerns associated with the creation and operation of such facilities.

- **Implement improvements to the international operations network**

The CBSA has an international footprint that includes two counsellors (Washington and Brussels), three intelligence liaison officers (Washington, London and Canberra) and 57 migration integrity officers in 45 locations. The majority of this network works to “push out” Canada’s border by identifying inadmissible people and goods before departure to Canada. The network also helps to optimize key strategic international partnerships which enable the Agency to share information, develop intelligence and address security issues before people and goods arrive in Canada.

In 2011–12, to better integrate and make use of the Agency’s international resources, the CBSA will continue to review the location of CBSA employees abroad and determine where capacity should be adjusted (e.g. where resources could be reduced and/or eliminated or where capacity should be expanded to new locations).

- **Implement customs controlled areas to more effectively respond to internal conspiracies and organized crime at ports of entry**

A customs controlled area is a designated area where departing domestic travellers and workers may come into contact with international travellers and goods not yet processed by the CBSA. These zones could include places such as international baggage areas and tarmacs at airports, marine docks, warehouses, cruise ship terminals and rail yards. Under the 2009 amendments to the *Customs Act*, CBSA officers were given the legal authority to question, examine and search people and goods, both within the customs controlled areas and at CBSA exit points. Officers will be able to question people on their need/purpose to be present in the area and to conduct non-intrusive examinations (such as X-rays) of goods in their possession. This includes those workers within a customs controlled area who would otherwise not have to present themselves to the CBSA. Customs controlled areas will improve the security of Canadians as they will act as a deterrent to internal conspiracies at ports of entry and help mitigate the risks posed by organized crime and national security threats. They will also help the CBSA interdict contraband and other illegal items before they reach Canadian communities.

In 2011–12, the Agency will implement the first customs controlled areas at Pierre Elliott Trudeau International Airport (Montréal), Pearson International Airport (Toronto) and Vancouver International Airport. In support of the implementation, training will be provided to border services officers and a communications strategy will be developed.

- **Postal modernization – develop the design of new processes for risk assessment and processing of importations in postal stream**

The CBSA and Canada Post are working together to modernize the assessment and processing of international mail to address gaps and introduce technological advances. The modernization initiative will address three main areas: infrastructure renewal, information technology enhancement and policy reform. It will also be aligned with other Agency programs that leverage advance electronic data to support the use of automated risk assessments by replacing the outdated infrastructure currently in place. The use of electronic data will enable the Postal program to focus on higher-risk mail items, while better facilitating the flow of lower risk items.

In 2011–12, the CBSA will begin developing a new information technology system that will address the risk assessment, financial reconciliation and overall enforcement needs of the Postal program. This new system is expected to be completed by December 2013.

Supporting Initiative: Enhance capacity for pre-arrival risk assessment

- **Continue development and implementation of eManifest**

eManifest® is the third phase of the Advance Commercial Information program. It will modernize the way the CBSA processes and screens commercial goods imported into Canada by allowing the Agency to perform pre-arrival risk assessments on all commercial goods. When fully implemented, carriers, freight forwarders and importers in all modes of transportation will be required to provide the CBSA with electronic advance trade data before goods arrive in Canada. This will enable the Agency to more effectively analyze risk, and assist in ensuring that efficient border procedures are in place and in securing the international trade supply chain.

In fall 2010, major business highway carriers were able to begin transmitting cargo and conveyance information to the CBSA through the electronic data interchange®. In 2011–12, the CBSA will offer an eManifest portal option for small- to medium-sized highway carriers, and rail carriers will begin transmission of cargo and conveyance data through the electronic data exchange. In 2012, freight forwarders will begin transmitting secondary cargo and cargo control (house bill) information.

- **Targeting – develop new program structure, framework and business model**

Targeting is the identification of potential high-risk people, goods and conveyances. The CBSA uses intelligence and advanced technology to identify people, goods or conveyances that may pose a risk to national security and/or public safety priorities before they arrive at the border. This information is provided to border services officers to support the interception and examination of people and goods that pose a danger to Canada.

The CBSA's targeting activities were examined as part of Strategic Review in 2009–10. As a result, in 2011–12, the Agency will consolidate and restructure the delivery of its targeting program. The functional authority for risk assessment and targeting programs, which was created in 2010–11 at CBSA headquarters, is re-engineering the targeting process. The current targeting model is delivered at multiple locations across Canada, and leads to a duplication of efforts and

inconsistencies in the risk assessment process. The new targeting service delivery model will provide more consistency and improve the overall efficiency and effectiveness of the program.

To support the new targeting service delivery model, the Agency will develop policies, procedures and training. The CBSA is also enhancing existing systems to support a centralized targeting approach and to ensure program efficiencies and effectiveness. In addition, the Agency will identify targeting requirements for a new targeting tool, which is under development as part of eManifest. These improvements will enhance the Agency's ability to identify border-related risks and prevent inadmissible people and goods from entering Canada.

PROGRAM ACTIVITY: SECURE AND TRUSTED PARTNERSHIPS

Through the Secure and Trusted Partnerships program activity, the Agency works closely with clients, other government departments and international border management partners to enhance trade chain and traveller security while providing pre-approved, low-risk travellers and traders with streamlined and efficient border processes. The CBSA develops and administers programs and cooperative agreements with its partners to ensure alignment with international standards (e.g. World Customs Organization SAFE Framework of Standards) and promote best practices in global border management. By increasing membership in trusted traveller and trader programs¹⁰, the CBSA is able to improve its capacity to mitigate risk in advance and focus examination efforts on identifying travellers and traders of unknown or higher risk.

Benefits for Canadians

The CBSA's trusted traveller programs, the largest of which is NEXUS with over 500,000 members, simplify border clearance for low-risk travellers through an advance risk assessment that is a pre-requisite for membership. Various expedited clearance processes are available, depending on the program and port of entry, including self-serve kiosks, designated lanes and telephone reporting to border services officers. These programs save time for members and enable CBSA officers to focus on high-risk travellers. The CBSA also facilitates trade through its trusted trader programs, which include Free and Secure Trade, Partners in Protection, and Customs Self Assessment. These programs require a secure supply chain and the advance risk assessment of participants. Members have access to streamlined border clearance processes that reduce delivery times and costs, providing them with a competitive advantage.

Program Activity: Secure and Trusted Partnerships					
Human Resources (full-time equivalents) and Planned Spending (\$ thousands)					
2011-12		2012-13		2013-14	
Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending
861	67,402	864	67,591	864	67,609
Expected Result		Performance Indicator		Target	
Increased membership in trusted traveller and trader programs.		Percentage change in the number of members in the trusted traveller and trader programs.		10-15%	
Increased capacity to focus on unknown or high-risk people and goods at the ports of entry.		To be developed.		To be developed.	

2011–12 Planning Highlights

Supporting Initiative: Expand trusted programs membership and benefits

The CBSA offers a suite of trusted programs, including Free and Secure Trade, Customs Self Assessment, Partners in Protection and Partners in Compliance, to enhance the integrity of the trade chain while providing expedited border clearance. It also offers trusted traveller programs, including NEXUS and CANPASS, which are designed to expedite the border clearance of low-risk, pre-approved travellers. The Agency is seeking ways to expand both membership and program benefits.

Trusted Traveller Programs

In 2011–12, the Agency will assess how its trusted traveller programs, including NEXUS, can be recognized by other similar international programs. As an initial step, the Agency will develop, design and implement a two-year, binational, trusted traveller pilot program with the Netherlands.

The CBSA will continue to expand NEXUS membership benefits by collaborating with the Canadian Air Transport Security Authority and Transport Canada to offer a separate screening line at selected Canadian airport security checkpoints for passengers who possess a NEXUS card. The trusted traveller/NEXUS screening line is currently available at three international airports with expansion planned to eight international airports in Canada by March 2012. The Agency will also develop a set of policy options on the future direction of Canada's domestic trusted traveller programs with a view to achieving greater program efficiencies, delivering better client service and benefits, and increasing membership.

Trusted Trader Programs

In 2011–12, the Agency will develop a trusted trader strategy to integrate existing programs and increase the benefits of these programs. The strategy will be developed, in part, through consultation with industry stakeholders to ensure that benefits are extended to program members. The CBSA will continue to harmonize its Partners in Protection program with the U.S. Customs–Trade Partnership Against Terrorism program, which will include a phased implementation of a single application process for companies applying to both programs, as well as the sharing of information.

- **Support Transport Canada in the implementation of the Air Cargo Security program**

Transport Canada is leading the implementation of Canada's Air Cargo Security program. The program allows security screening to take place at the most cost-effective location along the supply chain and ensures that screened cargo can remain secure from the start of the air shipment process (i.e. creating an air waybill) until the carrier accepts and places it on board an aircraft. Such a supply chain security system (similar to those of several international partners) allows air carriers to accept screened cargo from Air Cargo Security program participants without a need for last-minute re-screening at the airport, except under certain circumstances (e.g. if the pre-screened cargo appears to have been opened, for spots checks and quality control, etc.). When fully implemented, the program

will help to reduce airport congestion by streamlining the processing and screening of low-risk legitimate cargo, and will lower the cost of compliance with air cargo security regulations.

The CBSA is supporting Transport Canada's efforts by providing expertise and assistance, as well as by identifying the potential to leverage the program's outcomes to enhance certain existing CBSA programs related to the admissibility and export of goods. The CBSA also carries out database queries on applicants to the program using information collected as part of the Agency's trusted trader programs (e.g. Partners in Protection). In 2011–12, the CBSA and Transport Canada will set up a working group to discuss the interoperability of risk-assessment functions and cargo seal requirements.

PROGRAM ACTIVITY: ADMISSIBILITY DETERMINATION

Through the Admissibility Determination program activity, the CBSA develops, maintains and administers the policies, regulations, procedures and partnerships that enable border services officers to intercept people and goods that are inadmissible to Canada and to process legitimate people and goods seeking entry into Canada within established service standards, and to administer and enforce the policies and guidelines that govern the reporting and verification of goods exported from Canada.

In the traveller stream, border services officers question people upon arrival to determine if they and their personal goods meet the requirements of applicable legislation and regulations to enter Canada. Border services officers will then make a decision to grant entry or refer a person for further processing (e.g. payment of duties and taxes, issuance of a document), and/or for a physical examination.

In the commercial stream, carriers and importers are required to provide information to the CBSA at or prior to arrival in Canada. Border services officers review the status of pre-arrival decisions and/or the provided accompanying documentation to determine whether the goods meet the requirements of applicable legislation and regulations to enter Canada. Based on this determination, a border services officer may refer the goods for further processing, examination and/or scientific and engineering analysis. Upon further examination, goods may be seized or penalties imposed.

Benefits for Canadians

The CBSA is a key federal government organization that contributes significantly to the Government of Canada's priorities of promoting the economic prosperity of the country and enhancing the well-being of Canadians. The Agency processes all the people, vehicles and commercial goods seeking entry to Canada. It ensures that the border remains open and enables the free movement of legitimate people and goods, including by facilitating international events, which contributes to a strong Canadian economy through the tourism and business sectors. In addition, the CBSA contributes to keeping Canadians safe and secure by ensuring that inadmissible people (people identified as being involved with terrorism, organized crime, war crimes or crimes against humanity, etc.) and goods (prohibited weapons, illegal drugs, invasive species, counterfeit products, etc.) are not allowed to enter Canada.

Selected Enforcement Statistics for 2009–10

- 10,712 soil, plants and plant products interceptions
- 17,671 meat, meat products, animals and animal products interceptions
- 11,580 drug seizures
- \$45 million in currency seizures (value is approximate)
- 9,251 prohibited weapons seizures, including 460 firearms
- 3,343 tobacco seizures

Program Activity: Admissibility Determination

Human Resources (full-time equivalents) and Planned Spending (\$ thousands)					
2011-12		2012-13		2013-14	
Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending
6,331	653,423	6,384	663,342	6,384	619,581
Expected Result		Performance Indicator		Target	
People and goods that are inadmissible to Canada are intercepted at ports of entry or within Canada.		Percentage of people examined ¹ who are inadmissible and/or arrested.		2-3%	
		Percentage of goods (commercial shipments) examined ² that are seized.		10-12%	
Export shipments that do not meet all requirements under the program legislation are intercepted/seized.		Percentage of export shipments examined that are intercepted and/or seized.		3-8%	

¹People examined are those people who have been referred to secondary processing for additional examination to determine their admissibility and their goods' admissibility into Canada.

²Goods examined are those goods that have been referred to secondary processing for additional examination to determine their admissibility into Canada.



Under this program activity, the CBSA contributes to the Federal Sustainable Development Strategy, Theme III – *Protecting Nature*, through its Food, Plant and Animal program. For more information on how the CBSA is supporting the federal strategy by managing threats to ecosystems, refer to the CBSA's [Sustainable Development Strategy 2011-2013-14](#).

2011-12 Planning Highlights

Supporting Initiative: Improve service consistency

- **Service Strategy and commitments – implement and monitor service standards and strengthen engagement with stakeholders**

The CBSA is implementing a new Service Strategy, as the Agency moves towards a stronger service-oriented culture. The Strategy will strengthen the CBSA's culture of service, simplify and streamline how the CBSA and clients interact, and increase the CBSA's accountability through the development of service standards, including performance measures that can be reported on a regular basis. It also includes client satisfaction surveys and an enhanced complaints mechanism. In addition, the Strategy will set out a uniform approach for designing or refining programs and policies that will ensure greater engagement with business and industry.

In 2011-12, the Agency will launch a service standard training curriculum that will enable CBSA staff to develop and enhance service standards, which will be posted on the Agency's website. The new service standards will also be incorporated into the CBSA's Performance Measurement Framework and used for decision-making purposes, thereby strengthening the Agency's ability to report on its performance to Parliament and to Canadians.

To promote national consistency in levels of service and client service expectations at Canada's ports of entry, the CBSA has also established working groups to review the Agency's air and land ports of entry operations and processes. In 2011–12, the working groups will develop site-specific action plans, tool kits to support CBSA front-line management teams, better performance standards and performance indicators, as well as monitoring and reporting frameworks for air and land ports of entry.

- **Ensure CBSA employees uphold the highest standards of integrity and professionalism in their conduct and activities**

The CBSA continues to implement initiatives under the Integrity and Professional Standards Strategy to support its employees in upholding the highest standards of integrity and professionalism in their activities and conduct while on- and off-duty. Ensuring employee integrity and professionalism contributes to effective risk management both in terms of good corporate governance and in facilitating legitimate trade and travel while protecting Canada's population from border-related risks. To further ensure that the CBSA promotes and supports high standards of professionalism in its workforce and program delivery, which directly contributes to enhanced service delivery to Canadians, the Agency will also deliver security training and awareness modules for employees and managers.

As the result of an internal review in 2010–11, the CBSA identified a gap in its ability to ingrain the Agency's values of respect, integrity and professionalism into the workplace, and in the availability of relevant tools and training to assist managers and supervisors in carrying out their important function as role models and leaders. In 2011–12, the CBSA will launch newly designed ethics training and awareness sessions that are specifically aimed at managers. The sessions will include tools for ethical decision-making and will address ethics issues in the workplace, including what factors influence ethical climate, the benefits of a healthy ethical climate, and the manager's role in promoting ethics in the workplace.

- **Maximize resource utilization at ports of entry and establish port profiles to ensure resources are in place to meet volume demands**

To maximize the use of resources at the busiest ports of entry, the CBSA is preparing profiles for 20 land border ports of entry and six airports. In 2011–12, the Agency will develop a supporting resource modeling framework to analyze resources and identify efficiencies, effectiveness, business costs and potential resource re-allocations. The port profiles, along with the framework, will help the Agency to ensure that ports of entry receive the appropriate resources based on their respective workloads. The profiles will also be used to assess the situation at each port of entry and the risks posed by its particular volumes, mode of traffic and infrastructure. These tools will provide baseline performance and resource data, as well as help the CBSA to develop a corporate capacity to prepare and adjust future plans, and modify regional operations to respond quickly to emerging trends or threats.

- **Upgrade port of entry infrastructure**

Port of entry facilities are integral to CBSA's border operations. Physical capacity, systems and proper equipment are required to ensure that the CBSA can reliably process the volume of goods and people entering Canada within border wait time standards. To meet both existing and future program needs, the Agency is undertaking infrastructure replacements and upgrades.

In 2011–12, the CBSA will complete the planning for the redevelopment of the Port of Aldergrove, British Columbia, complete the redevelopment of the land ports of entry at Kingsgate, British Columbia and Prescott, Ontario, complete improvements to the commercial examination facilities at Pacific Highway and Huntingdon, British Columbia, and complete the redevelopment of five small ports of entry in Manitoba and Saskatchewan.

Canada's Economic Action Plan

Canada's Economic Action Plan					
Human Resources (full-time equivalents) and Planned Spending (\$ thousands)					
2011-12		2012-13		2013-14	
Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending
0	36,000	0	0	0	0
Expected Results		Performance Indicators		Targets	
Upgrade infrastructure at three ports of entry in British Columbia (Kingsgate, Pacific Highway and Huntingdon) and one in Ontario (Prescott). \$30 million in 2010-11 and \$36 million in 2011-12.		- Expansion and modernization of commercial processing capacity at Pacific Highway and Huntingdon, British Columbia. - Replacement of port of entry examination infrastructure at Prescott, Ontario and Kingsgate, British Columbia.		100% completion by March 2012	
The modernization and expansion of these port of entry facilities will improve border security and facilitate traffic flow at the border, and will provide the infrastructure necessary for the future implementation of expedited traveller and commercial programs.					

PROGRAM ACTIVITY: CRIMINAL INVESTIGATIONS

Under the Criminal Investigations program activity, the CBSA investigates and pursues the prosecution of travellers, importers, exporters and/or other persons who commit criminal offences in contravention of Canada's border-related legislation.

CBSA investigators review potential border legislation violations and gather evidence using a variety of investigative techniques, including search warrants and production orders. These violations include criminal offences under the *Customs Act*, *Immigration and Refugee Protection Act*, various food, plant and animal legislation, and other border-related legislation. In conjunction with the Public Prosecution Service of Canada, the CBSA pursues the prosecution of individuals or business entities that violate Canada's border-related legislation. Potential violations of the *Criminal Code* are normally referred to the RCMP.

Benefits for Canadians

The CBSA contributes to public safety and Canada's economic security by investigating and pursuing the prosecution of those who contravene Canada's border-related legislation. The Agency investigates and recommends for prosecution significant cases of fraud and smuggling under the *Customs Act*, *Customs Tariff*, *Immigration and Refugee Protection Act*, *Excise Act*, *Export and Import Permits Act* and 70 other federal statutes that the CBSA administers. Contraventions can include smuggling, making false statements, misrepresentation, evasion of duties and taxes, and failing to report goods for import or export.

Program Activity: Criminal Investigations					
Human Resources (full-time equivalents) and Planned Spending (\$ thousands)					
2011-12		2012-13		2013-14	
Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending
280	24,030	279	23,990	279	23,993
Expected Result		Performance Indicator		Target	
People who commit criminal offences in violation of Canada's border-related legislation are investigated and prosecuted.		Percentage of criminal prosecutions that result in a conviction.		85%	

2011–12 Planning Highlights

Supporting Initiative: Improve capacity for interdiction and/or seizure of inadmissible goods and removal of inadmissible people

- **Develop management tools to re-focus criminal investigations activity on the cases of highest risk**

In response to the recommendations of an internal evaluation of the Criminal Investigations program, the CBSA has committed to conducting a diagnostic review of its criminal investigations program. The review will make recommendations to improve the program's priority-setting process and the development of tools to ensure priorities are related to areas posing the highest risk. Through this initiative, the Agency will implement a risk-based priority-setting process that is aligned with Government of Canada and CBSA priorities, and takes into account input from partners such as Citizenship and Immigration Canada, including the need for continued investigative efforts related to alleged fraud in the immigration consultant industry and marriages of convenience.

In 2011–12, the Agency will establish the risk-based priority-setting process, as well as develop and start implementing tools to assist regional investigations units in selecting cases from their inventories that fall within these high-priority, high-risk areas. The tools will enable the CBSA to monitor results and ensure that the highest-risk cases are selected and that investigative resources are invested in the highest-risk areas.

PROGRAM ACTIVITY: IMMIGRATION ENFORCEMENT

The Immigration Enforcement Program determines whether foreign nationals and permanent residents who are or may be inadmissible to Canada are identified and investigated, detained, monitored and/or removed from Canada.

Foreign nationals and permanent residents of Canada believed to be inadmissible are investigated and may have a report written against them by a CBSA inland enforcement officer. Depending on the type of inadmissibility, the merits of the report are reviewed by either a Minister's Delegate or an independent decision maker at the Immigration and Refugee Board of Canada, where a CBSA hearings officer represents the Minister of Public Safety. Subsequent to this review, a removal order may be issued against the foreign national or permanent resident in question. Removal orders issued against refugee claimants are conditional and do not come into force until the claim against the removal order is abandoned, withdrawn or denied by the Immigration and Refugee Board of Canada.

Benefits for Canadians

The CBSA protects the integrity of Canada's immigration program by screening, monitoring, investigating, arresting, detaining and removing those people in violation of the *Immigration and Refugee Protection Act*. This contributes to the national security and public safety of Canadians. For example, in 2009–10, the CBSA removed 14,775 people who were inadmissible to Canada, including 1,858 (12.6 percent) who were criminals.

Program Activity: Immigration Enforcement					
Human Resources (full-time equivalents) and Planned Spending (\$ thousands)					
2011–12		2012–13		2013–14	
Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending
1,118	158,707	1,131	161,694	1,013	140,351
Expected Result		Performance Indicator		Target	
Foreign nationals and permanent residents in Canada who are inadmissible are identified for enforcement action.		Number of foreign nationals and permanent residents in Canada identified as being inadmissible.		145,000 – 160,000	
Immigration enforcement actions are focused on high-priority foreign nationals and permanent residents who pose a safety and/or security risk to Canada.		Difference between the percentage of high-priority cases ¹ among all removals and the percentage of high-priority cases in the removal-ready inventory ² .		4%	

¹Foreign nationals and permanent residents who pose a safety and/or security risk or threat to Canada.

²Cases in the removals inventory that consist of removal orders that are potentially enforceable.

2011–12 Planning Highlights

Supporting Initiative: Improve timeliness of removals for failed refugee claimants

Reforming the refugee determination system has been identified as a Government of Canada priority. In 2011–12, Canada's new refugee determination system will come into force. It will provide more timely protection to those who need it and support the more timely removal of those who are determined not to be refugees.

At present, the CBSA conducts removals on a risk-based approach, meaning that the inventory of outstanding removal orders largely consists of failed refugee claimants. Under the reformed system, the objective would be to remove failed refugee claimants within 12 months of a final negative refugee determination made by the Immigration and Refugee Board of Canada.

To support this objective, in 2011–12, the Agency will hire approximately 100 additional enforcement officers to pursue the timely removal of failed asylum claimants, and continue to detain failed asylum claimants who are likely to flee to avoid removal. In addition, the CBSA will implement a four-year Assisted Voluntary Returns pilot program⁶ beginning in 2011–12. The pilot program is expected to increase voluntary compliance with removal orders by providing greater education to claimants on their rights and obligations throughout the refugee determination process as well as incentives to leave in a timely manner. The pilot will begin in the Greater Toronto Area and will be initially available for failed asylum claimants returning to Mexico, the Caribbean, Central America and South America, with expansion to all countries expected in 2013–14. In addition, a number of information technology system enhancements will be made to capture data related to the new system and to better manage removal inventories in general.

PROGRAM ACTIVITY: RECOURSE

The Recourse program activity provides the business community and individuals with an accessible mechanism to seek an impartial review of service-related complaints, trade decisions and enforcement actions taken by the CBSA. This program activity ensures that the decisions taken by CBSA officials are fair, transparent and accurately reflect the Agency's policies and the Acts administered by the Agency.

Individuals can complete a written submission if they disagree with an enforcement action or a trade decision made by the CBSA or wish to submit a complaint about services provided by the Agency. CBSA officials then conduct a review of the appeal or complaint taking into consideration the legislation administered by the Agency, CBSA policies, the client's point of view and, where necessary, technical opinions from CBSA experts or legal advice from the Department of Justice. Individuals who are not satisfied with the Agency's review can appeal to the appropriate court, tribunal or external review body.

The Recourse program activity also facilitates the review of external complaints of discrimination filed with the Canadian Human Rights Commission and assists the Department of Justice representing the CBSA on appeals to the Federal Court, various tribunals and other external bodies.

Benefits for Canadians

The CBSA's Recourse program provides Canadians with access to a transparent redress process and provides a level playing field for travellers and traders. The Recourse program ensures that enforcement actions are sustainable in law and that penalties or fines as well as applicable duties and taxes are applied appropriately and that relevant trade data is accurately collected. Canadians can be confident that the Agency listens to their concerns, takes appropriate action and understands the impact of its decisions on individuals.

Program Activity: Recourse					
Human Resources (full-time equivalents) and Planned Spending (\$ thousands)					
2011-12		2012-13		2013-14	
Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending
109	10,311	101	9,660	101	9,660
Expected Result		Performance Indicator		Target	
Timely review of decisions made in support of border services legislation.		Percentage of reviews acknowledged within 30 days of receipt.		85%	
Decisions rendered by Recourse are consistent with border-related legislation.		Percentage of Recourse decisions upheld by the courts or tribunals.		85%	

2011-12 Planning Highlights

Supporting Initiative: Improve service consistency

- **Introduce a formal feedback mechanism for Recourse decisions**

Through the Recourse program activity, the CBSA reviews enforcement decisions. The analysis of complaints and appeals related to CBSA decisions can identify systemic problems in service delivery and potential areas for improvement. In 2011-12, the Agency will establish a formal feedback process to ensure that program areas and operations are provided with relevant findings resulting from recourse reviews and decisions so that these findings can be used to improve the accuracy of future CBSA enforcement decisions and the overall efficiency of its operations.

- **Reduce the backlog of enforcement appeals**

The Recourse program has an outstanding inventory of approximately 4,000 enforcement appeals. To improve service to Canadians, the Agency will devote additional resources to reduce both the number and the age of the existing caseload over a four-year period. In 2011-12, the Agency plans to resolve nearly 500 files that are more than two years old. Over the subsequent three years, the Agency will continue its efforts with the goal that no workable appeal in the inventory is more than two years old and that no more than 2,500 appeals are outstanding at any time.

PROGRAM ACTIVITY: REVENUE AND TRADE MANAGEMENT

The Revenue and Trade Management program activity ensures that duties and taxes owed to the Government of Canada are collected in compliance with Canadian trade and imports reporting requirements. For the purposes of this program description, "duties" means any duties or taxes levied or imposed on imported goods under certain Acts that the CBSA is responsible for administering. Through this program activity, the Agency also administers international and regional trade agreements and domestic legislation and regulations governing trade in commercial goods.

Benefits for Canadians

The CBSA provides a significant component of revenues for the Government of Canada. In 2009–10, the Agency collected \$21.0 billion in total tax revenue, including \$3.5 billion in import duties and \$1.3 billion in tobacco and alcohol taxes. The total tax revenue collected by the CBSA accounted for 11.7 percent of the \$180.2 billion of total tax revenue collected by the federal government.

The CBSA delivers client service programs to educate import and export traders and to assist them in making correct declarations. It also conducts verification audits to measure compliance with trade rules and to correct errors in declarations. These activities provide a level playing field for Canadian manufacturers and exporters in the global trade market by ensuring the accuracy of trade data; the proper assessment, collection, relief and deferral of duties and taxes; and the consistent interpretation and application of international agreements. In addition, they help enable the CBSA to detect dangerous and prohibited goods and prevent their entry into Canada.

Through its work on free trade negotiations, the Agency helps to strengthen international rules related to trade and to open new markets for Canadians by increasing the opportunities for, and the predictability of, export sales. This work contributes to the creation of jobs and boosts Canadian profits which, in turn, stimulate the economy. This program activity also helps to increase imports, making more products available at more affordable prices.

Government of Canada Free Trade Agreements currently in force

- North American Free Trade Agreement
- Canada – Chile Free Trade Agreement
- Canada – Israel Free Trade Agreement
- Canada – Costa Rica Free Trade Agreement
- Canada – European Free Trade Association Free Trade Agreement
- Canada – Peru Free Trade Agreement

Program Activity: Revenue and Trade Management					
Human Resources (full-time equivalents) and Planned Spending (\$ thousands)					
2011-12		2012-13		2013-14	
Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending
838	72,004	835	82,521	835	90,456
Expected Result		Performance Indicator		Target	
Duties and taxes owed to the Government of Canada are collected in accordance with trade policies.		Amount of revenues collected by the CBSA in the form of duties and taxes in accordance with associated trade policies.		\$25.2 billion	
Successful negotiation of the CBSA-related provisions within the customs procedures and trade facilitation chapters of Canada's new free trade agreements.		For all free trade agreements under negotiation, the percentage rate at which successful negotiations of the CBSA-related provisions within the customs procedures and trade facilitation chapters were completed within the performance standards and timelines established by the lead department.		100%	

The increase in planned spending is mainly related to funding for the CBSA Assessment and Revenue Management system. Planned full-time equivalent numbers have not yet been adjusted because the system is in an early stage of development.

2011-12 Planning Highlights

Supporting Initiative: Advance the implementation of the Accounts Receivable Ledger

The Accounts Receivable Ledger is a component of the CBSA Assessment and Revenue Management system. This system will modernize the assessment, revenue and trade management program. It will also strengthen the CBSA's financial controls and reporting capacity, improve client service and streamline operational processes so that CBSA resources are focused on border security and protection.

The Accounts Receivable Ledger aims to strengthen the Agency's financial controls framework and reporting structure, and replace obsolete and technologically unsustainable accounts receivable systems. The Ledger will also reduce the need to perform reconciliations and analysis to ensure the accuracy of financial information. It is a fully integrated client-based accounting system that will enable CBSA commercial clients to electronically retrieve tax and duties statements on imports via a secure website, and to make electronic payments.

Implementing the Ledger responds to observations and recommendations made in both the *2010 Spring Report of the Auditor General of Canada, Chapter 1, "Aging Information Technology Systems"*⁶, and the *2007 October Observations of the Auditor General on the Financial Statements of the Government of Canada*⁷, related to the CBSA's revenue accounting and reporting processes. The Ledger will enable the Agency to effectively mitigate risks associated with the CBSA's revenue accounting and collection responsibilities, which were identified in the

CBSA Enterprise Risk Profile 2009–2010, and ensure that accounting processes are carried out in accordance with Government of Canada requirements.

In 2011–12, the Agency will complete the accounts receivable system use cases, which will outline the services, tasks and functions in the Ledger, and identify end users. The CBSA will also initiate an implementation strategy for its roll-out in December 2012.

INTERNAL SERVICES

Internal Services is a group of related activities and resources that is administered to support the needs of programs and other corporate obligations of an organization. The main activities are governance and management support (management and oversight, communications, legal services), resource management services (human resources management, financial management, information management, information technology, travel, and other administrative services) and asset management services (real property, materiel, acquisitions). The CBSA's Internal Services supports the achievement of the Agency's strategic outcome.

Internal Services					
Human Resources (full-time equivalents) and Planned Spending (\$ thousands)					
2011-12		2012-13		2013-14	
Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending	Full-time Equivalents	Planned Spending
3,416	718,465	3,430	667,194	3,428	666,124

The decrease in planned spending is due mainly to the reduction in the Agency's capital budget related to the sunset of Canada's Economic Action Plan funding.



Through its Internal Services, the CBSA also contributes to Theme IV – *Shrinking the Environmental Footprint – Beginning with Government* of the Federal Sustainable Development Strategy. The Agency is responsible for achieving commitments in the following target areas: greenhouse gas emissions, green buildings, green procurement, electronic and electrical waste, paper consumption, printing units and green meetings. For details on the CBSA's activities related to these target areas, refer to the [Greening Government Operations table](#).

2011-12 Planning Highlights

Supporting Initiative: Establish structures and processes to support improved management oversight

- **Continue to functionalize program activity streams**

In 2009-10, the CBSA launched its four-year Change Agenda, an ambitious transformational initiative to improve program design and delivery and promote strong resource management capabilities, including effective financial planning, budgeting and monitoring. As part of this initiative, the CBSA has begun implementing a functional management model.

The model is based on two key principles: first, program activities and performance are linked to expenditures, and second, a clear division of responsibility exists between policy design, direction and oversight (CBSA headquarters) and program or service delivery (regional operations). To be phased in over three fiscal years (2010-11 through 2012-13), the model encompasses 10 functional streams (i.e. programs) that account for all of the Agency's resources and expenditures.

In 2011–12, the CBSA will implement a functional budgetary regime (i.e. discrete spending envelopes) for all Agency programs, and will continue to develop and further mature resource allocation models for all activities. These models will be used to allocate resources to activities based on indicators and drivers impacting costs, expected workloads (volumes) and performance targets and service standards. They will also help ensure national consistency in the delivery of Agency programs by optimizing resource allocations. In addition, the CBSA will develop a guide to help managers implement the functional management model. The guide will include a step-by-step implementation process, roles, responsibilities and accountabilities, governance and oversight, readiness criteria, and a training and communications plan.

- **Employ risk management consistently and systemically**

The Agency established the Enterprise Risk Management program to ensure a more consistent, systematic and disciplined approach to managing risks that is integrated into the strategic, operational and financial decision-making processes. This approach is in line with the expectations of both the Treasury Board Secretariat and the Office of the Auditor General.

In 2011–12, the CBSA will improve its risk information with the development of an updated Enterprise Risk Profile and associated risk response plan, and will continue to build risk management capacity through the development and delivery of risk management training to senior managers.

Supporting Initiative: Improve human resources practices to support the recruitment and retention of staff

- **Develop a long-term workforce development strategy**

The strategy will provide a framework for career management of CBSA human resources across functional areas and levels, from recruitment to career development, training and learning. The CBSA is undertaking this initiative to better define its workforce needs in light of its enhanced mandate (e.g. Arming), the demographic challenges shaping the Canadian labour market, competition for employees, and the importance of workforce development to the health and vitality of an organization. As part of this strategy, the CBSA will clarify the career path requirements of its workforce across functional streams and adapt recruitment and training and learning accordingly. This will improve the Agency's performance by aligning recruitment activities to workforce development priorities, optimizing the use of training and learning investments, and providing better guidance to employees on expectations and requirements for career advancement.

In 2011–12, the Agency will finalize the strategic framework and supporting initiatives to build the workforce development strategy. These will be integrated into the Agency's human resources plans and priorities, starting in 2012–13.

- **Improve transactional service delivery**

To function effectively, the Agency requires effective and efficient human resources services. The CBSA will focus on improving responsiveness, speed of transactions, quality of service, utility of results and the strategic management of caseloads in human resources. By doing so, the CBSA will enhance its people management practices, in keeping with Public Service renewal needs and priorities, as well as in response to the Public Service Employee Survey and Public Service Commission audit findings.

In 2011–12, the CBSA will advance its modernization of human resources business processes by reviewing its classification and staffing functions, and by developing an integrated resourcing plan for classification and staffing actions at headquarters.

- **Enhance training and learning activities, including talent management**

This initiative aims to optimize the operational performance of the Agency's training and learning investments, and to improve the effectiveness and efficiency of these activities. The Agency will enhance the ability of CBSA managers and employees to align training activities with workforce development and organizational and career management priorities, and support the continuous improvement of learning and training program delivery. Under this initiative, the Agency will use innovative training and learning technologies, while ensuring that employees receive learning that is timely and delivered in a cost-effective, quality-controlled environment. The CBSA national training delivery network will include the expansion of the main campus in Rigaud, Quebec; the establishment of satellite campuses in the regions (and related organizational and infrastructure requirements); and the development and implementation of integrated planning, administrative and performance management processes and procedures.

In 2011–12, the Agency will develop a long-term infrastructure plan to address campus facility requirements, refine integrated training and learning planning processes and supporting administrative procedures, and strengthen the training and learning performance framework.

In April 2010, the CBSA launched its Talent Management program, which will lead to a more strategic management of CBSA's executive talent pool and executive succession pool and ensure that leadership resources are in place to support the Agency's business agenda. It also enables the CBSA to take an integrated approach to human resources planning, succession planning, knowledge transfer, and learning and development. In line with the Government of Canada's public service renewal priorities and commitments, the Agency has included an induction program for new executives to help increase their understanding of their roles, responsibilities and accountabilities as newly appointed executives.

In 2011–12, the CBSA will pilot the Talent Management program for executive feeder groups within the Agency, which will support succession planning and leadership development.

Supporting Initiative: Improve technological responsiveness and sustainability

- **Develop plan to replace aging systems**

The Agency will develop a strategy to mitigate risks related to aging information technology used in mission-critical systems. The plan is being developed in response to the *2010 Spring Report of the Auditor General of Canada, Chapter 1, "Aging Information Technology Systems"*⁶ and a subsequent Treasury Board Secretariat identification exercise. In the exercise, the Secretariat worked with federal departments and agencies to agree on a consistent approach to identify the "classification" of information technology systems, as well as a consistent set of criteria against which to assess mission-critical systems. Phase 1 of implementation will begin in February 2012. The development of this strategy responds to a risk identified in the Agency's Enterprise Risk Profile with respect to system technology and sufficiency.

- **Implement Data Centre upgrades and develop plan for Data Centre recovery**

As the information technology footprint for the Agency expands, the facilities (including the building, electrical power and air conditioning) that house the Agency's information technology equipment must be expanded and upgraded accordingly.

In 2011–12, the CBSA will upgrade the power and cooling capacity at its Data Centre facilities. The upgrades will ensure that sufficient capacity is in place at both Data Centres to accommodate all of the data housing requirements, should one Data Centre become unavailable.

The Agency will also undertake a multi-year recovery project to improve the overall availability and resiliency of CBSA systems. The project involves establishing a timely recovery capability of information technology services in the event of a major disaster at the data centres operated by the Canada Revenue Agency on behalf of the CBSA. The final outcome will be the capability to ensure near-continuous delivery of critical CBSA information technology services. The Data Centre recovery project is expected to be completed in fall 2013. The implementation of upgrades and the multi-year recovery project respond to a risk identified in the Agency's Enterprise Risk Profile with respect to system technology and sufficiency.

SECTION III: SUPPLEMENTARY INFORMATION

FINANCIAL HIGHLIGHTS

The future-oriented financial highlights presented below provide a general overview of the CBSA's financial operations and position. The highlights are prepared on an accrual basis to strengthen accountability and improve transparency and financial management.

Condensed Statement of Operations

For the year ended March 31 (\$ thousands)	Future-oriented 2011-12
Total expenses	1,870,512
Total revenues	19,929
Net cost of operations	1,850,583

Condensed Statement of Financial Position

For the year ended March 31 (\$ thousands)	Future-oriented 2011-12
Total assets	564,203
Total liabilities	422,995
Total equity	141,208
Total	564,203

FUTURE-ORIENTED FINANCIAL STATEMENTS

The Agency's future-oriented financial statements are available on the CBSA's website at <http://www.cbsa-asfc.gc.ca/agency-agence/reports-rapports/menu-eng.html#fs-ef>.

SUPPLEMENTARY INFORMATION TABLES

The following tables are available on the Treasury Board of Canada Secretariat's website at <http://www.tbs-sct.gc.ca/rpp/2011-2012/info/info-eng.asp>.

Greening Government Operations

Horizontal Initiatives

Upcoming Internal Audits and Evaluations

Sources of Respendable and Non-respendable Revenue

Status Report on Transformational and Major Crown Projects

Summary of Capital Spending by Program Activity

SECTION IV: OTHER ITEMS OF INTEREST

CONTRIBUTION TO THE FEDERAL SUSTAINABLE DEVELOPMENT STRATEGY

Based on the Federal Sustainable Development Strategy, the CBSA will contribute to sustainable development by:

- demonstrating leadership by integrating economic, social and environmental pillars into the Agency's policies, programs and operations; and
- strengthening the application of the Strategic Environmental Assessment by developing processes and tools to ensure that economic, social and environmental considerations, including the goals and targets of the Federal Sustainable Development Strategy, are taken into account when implementing CBSA's policies, plans and programs.

For more information on the CBSA's sustainable development activities, refer to the Agency's Sustainable Development Strategy 2011–2013¹⁰. For information on the Federal Sustainable Development Strategy, visit Environment Canada¹¹.

INFORMATION AND CONTACTS

For more information on the CBSA and its activities, please visit the CBSA's website at <http://www.cbsa-asfc.gc.ca>. Links to other websites of interest are provided below.

Canada Revenue Agency website: <http://www.cra-arc.gc.ca/>

Canadian Food Inspection Agency website: <http://www.inspection.gc.ca/>

Canadian Security Intelligence Service website: <http://www.csis.gc.ca/>

Citizenship and Immigration Canada website: <http://www.cic.gc.ca/>

Department of Finance Canada website: <http://www.fin.gc.ca/>

Foreign Affairs and International Trade Canada website: <http://www.international.gc.ca/>

Health Canada website: <http://www.hc-sc.gc.ca/>

Immigration and Refugee Board of Canada website: <http://www.irb-cisr.gc.ca/>

Public Safety Canada website: <http://www.publicsafety.gc.ca/>

Royal Canadian Mounted Police website: <http://www.rcmp-grc.gc.ca/>

Transport Canada website: <http://www.tc.gc.ca/>